

AFTER RECORDING RETURN TO:
SEAVIEW ASSOCIATES
4380 SW MACADAM AVENUE SUITE 210
PORTLAND OR 97201

BOOK 379 PAGE 783

DECLARATION SUBMITTING STAGE I OF
SEAVIEW CONDOMINIUMS
TO THE OREGON CONDOMINIUM ACT

THIS DECLARATION is made and executed by Seaview Associates, an Oregon Limited Partnership, hereinafter called "Declarant".

Declarant desires to create a condominium to be known as Seaview Condominiums, which will be located in Tillamook County, Oregon. The purpose of this Declaration is to submit the project to the condominium form of ownership and use in the manner provided by the Oregon Condominium Act.

NOW, THEREFORE, Declarant does hereby declare and provide as follows:

1. DEFINITIONS. When used herein the following terms shall have the following meanings:

1.1. "Act" means the Oregon Condominium Act.

1.2. "Association" means the Association of Unit Owners of Seaview Condominiums.

1.3. "Board of Directors" means the directors selected pursuant to the provisions of this Declaration and the Bylaws to govern the affairs of the Association.

1.4. "Bylaws" means the Bylaws of the Association adopted as provided herein, as the same may be amended from time to time.

1.5. "Declarant" means Seaview Associates Limited Partnership, with Dunn Development Corporation as its General Partner.

1.6. "Plat" means the plat of Seaview Condominiums, recorded simultaneously with the recording of this Declaration.

1.7. "Incorporation by Reference" Except as otherwise provided in this Declaration, each of the terms used herein shall have the meaning set forth in ORS 100.005, a part of the Act.

2. PROPERTY SUBMITTED. The land submitted hereunder is held by Declarant in fee simple estate. It is located in Tillamook County, Oregon and is more particularly described in Exhibit A attached hereto. The property submitted hereunder includes the land so described, all buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging thereto.

3. NAME. The name by which the property submitted hereunder shall be known as Seaview Condominiums.

4. GENERAL DESCRIPTION OF BUILDINGS. The condominium includes one (1) building consisting of four (4) floors. This building contains twelve (12) units during the first stage of the condominium development. The building is composed principally of concrete and wood framing. The roof of the building has sawn cedar shingle surface.

5. UNITS.

5.1 General Description of Units. Stage I consists of twelve (12) units, designated Unit 101 through Unit 403 as set forth on Exhibit B. The units of Stage I will be 1,253, 1,460 or 1,454 square feet. All units will have two (2) bedrooms, two (2) baths, kitchen, dining and living area with a fireplace. The utility and closet spaces are included within each unit. Decks for each unit are private and are available from two different living areas (however, the decks are part of the limited common elements described in Section 6.3 below). The dimensions, designation and location of each unit is shown on the plat filed simultaneously herewith and are made part of this Declaration as is fully set forth herein.

5.2 Boundaries of Units. Each unit shall be bounded by the interior surfaces of its perimeter and bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and shall include both the interior surfaces so described and the air space so encompassed. In addition, each unit shall include the outlet of any utilities services lines, including water, sewage, electricity, and ventilating ducts, within the unit, but shall not include any part of such lines or ducts.

5.2.1 The boundaries of each unit shall also include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof. All other portions of the walls, floors and ceilings shall be part of the common elements.

5.3 Use of Units. The units shall be occupied and used by the respective owners only as a private dwelling for the owner, family, tenant and social guests and for no other purposes. The owners of the respective units shall have the right to lease the same, provided that such lease is made subject to the covenants and restrictions contained in this Declaration and is further subject to the Bylaws, rules and regulations of the Association and the laws of the City of Rockaway Beach, Tillamook County, Oregon.

6. COMMON ELEMENTS.

6.1 Method Used To Establish Allocation. The allocation of percentage ownership interests in the common elements set forth in Exhibit "B" was arrived at by dividing the sum of the approximate total floor space of all units into the approximate floor space of each individual unit.

6.2 Description.

The general common elements consist of the following:

6.2.1 The land, all walkways, and outside entryways, front and side yard grass, trees and shrubbery.

6.2.2 The roof, foundations, bearing walls, perimeter walls, beams, columns and girders, to the interior surface thereof, and all fences.

6.2.3 Pipes, ducts, flues, chutes, conduits, wires other utility installations to their outlets.

6.2.4 All common driveways and parking areas which are not part of a unit or identified as limited common elements on the plat.

6.2.5 All other elements of the building and the property necessarily convenient to its existence, maintenance and safety, or normally in common use, except as may be expressly designated herein as part of the unit or a limited common element.

6.3 Limited Common Elements Description. The following shall constitute limited common elements, the use of which shall be restricted to the units or owners to which they pertain:

6.3.1 Most units contain a deck in the rear and/or the front of the unit, and which are identified on the Plat as being appurtenant to their respective units are part of the limited common elements.

6.4 Undivided Interest in Common Elements. Each unit is allocated an undivided interest in the common elements as shown on Exhibit B. The allocation reflects each unit's right to use and enjoy the general common elements. Each unit's undivided interest shall be deemed to be conveyed or encumbered with conveyance of said unit, even though the description in the instrument of conveyance or encumbrance may refer only to title in the unit.

6.5 Use of Common Elements. No person shall use the common elements or any part thereof in any manner contrary to or not in accordance with this Declaration, the Bylaws or such rules and regulations pertaining thereto which from time to time may be promulgated by the Board of Directors.

6.6 Maintenance, Repair, and Replacement. Except to the extent it is imposed on the unit owners by this Declaration or the Bylaws, the necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the Bylaws. Nothing herein, however, shall be construed so as to preclude the Board of Directors from delegating such duties to individuals or entities.

7. COMMON PROFITS AND COMMON EXPENSES. The common profits shall be allocated among the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that no such profits shall be distributed among the unit owners and shall be used solely for purposes of maintaining, repairing, and replacing the common elements or other expenses of the Association. The common expenses shall be assessed to the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that unit owners may be assessed additional amounts individually for common expenses incurred through such owner's fault or direction or as otherwise provided in the bylaws.

8. PLAN OF DEVELOPMENT. Declarant may annex additional property in the future to this condominium by adding stages.

8.1 Maximum Number of Stages. Declarant hereby submits Stage I to the condominium form of ownership. Declarant reserves the right to add up to two (2) additional stages to the condominium (for a total of three (3) stages) and to annex such additional stages by filing supplemental declarations pursuant to the Act. No additional stages shall be added and annexed after seven (7) years following the recording of this Declaration submitting Stage I. Declarant may add less than two (2) additional stages and may change the order in which the various stages are annexed.

8.2 Maximum Number of Units. Stage I contains twelve (12) units. Declarant reserves the right to develop up to sixteen (16) additional units in subsequent stages, for a total of twenty eight (28) units in the condominium. Declarant may develop less than sixteen (16) additional units.

8.3 Future Units. Declarant reserves the right to modify the floor plan, the architectural style, the size, and the materials used in future units, but the overall standard of quality will be consistent with the units in Stage I.

8.4 Right to Pre-sell. Declarant may pre-sell condominium units prior to construction and may require that up to 100% of the units of each stage be sold prior to electing to proceed with the construction of the units in that stage.

8.5 Additional Common Elements. Declarant does not propose to include additional common elements in subsequent stages which may substantially increase the proportionate amount of the common expenses payable by owners of units in Stage I.

8.6 Fractional Interest in Common Elements. Each unit is allocated an undivided percentage ownership interest in the common elements. Each unit's undivided interest shall be deemed to be conveyed or encumbered with a conveyance or encumbrance of said unit, even though the description in the instrument of conveyance or encumbrance may refer only to title in the unit.

The method used to establish the percentage allocation of undivided interest in the common elements of each unit at each stage of the development is to divide the sum of the approximate total floor space of all units in the condominium into the approximate floor space of each individual unit.

The percentage interest in the common elements of units in Stage I will change if additional phases are annexed to the condominium. The minimum allocation of undivided interest in the common elements of each original unit upon completion of development if Declarant elects to proceed with all stages of development is set forth on Exhibit B.

9. SERVICE OF PROCESS. The designated agent to receive service of process in cases provided in subsection (1) of ORS 100.550 is named in the Condominium Information Report which will be filed with the Real Estate Agency in accordance with ORS 100.250(1)(a).

10. EASEMENTS AND ENCROACHMENTS.

10.1 Right of Access. The Association, through its Board of Directors, shall have the right to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, or to make emergency repairs therein necessary for the public safety or to prevent damage to the common elements or to another unit. In case of an emergency originating in or threatening his unit, or other portion of the condominium, each unit owner hereby grants the right of entry to any person authorized by the Board of Directors or the Association, whether or not the owner is present at the time. Each unit owner shall, upon request, leave a key to his unit with the Board of Directors to be used in such emergencies.

10.2 Encroachments. Each unit and all common elements shall have an easement over all adjoining units and common elements for the purpose of accommodating any present or future encroachment as a result of engineering errors, construction, reconstruction, repairs, settlement, shifting, or movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of the encroaching units and common elements so long as the encroachments shall exist, and except as otherwise provided in the Act the rights and obligations of owners shall not be altered in any way by the encroachment, nor shall the encroachments be construed to be encumbrances affecting the marketability of title to any unit.

10.3 Granting of Interest Affecting Common Elements. The Association shall have the authority to grant easements, leases, rights of way, licenses or other similar interests affecting the general common elements pursuant to ORS 100.405(5). The granting of a lease in excess of two (2) years or any other interest described in ORS 100.405(5) shall first be approved by at least seventy-five percent (75%) of all votes of the unit owners as required by ORS 100.405(6). The instrument granting any such interest shall be executed by the Chairman and Secretary of the Association and acknowledged in the manner provided for acknowledgment of such instruments by such officers and shall state that such grant was approved by at least seventy-five percent (75%) of all votes of the unit owners as provided in ORS 100.405(7).

11. VOTING RIGHTS. The owners or co-owners of each unit shall be entitled to a total of one vote per unit, as is more particularly described in the Bylaws.

12. ASSOCIATION OF UNIT OWNERS.

12.1 Organization: Adoption of Bylaws. Upon the execution and recording of this Declaration, the Association shall be organized to serve as a means through which the unit owners may take action with regard to the administration, management, and operation of the condominium. Declarant shall simultaneously adopt and record Bylaws for the Association.

12.2 Membership: Board of Directors. Each unit owner shall be a member of the Association, and membership therein shall be limited to unit owners only. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.

12.3 Power and Duties of the Association. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, together with such additional powers and duties contained in this Declaration and the Bylaws.

12.4 Declarant Control of Association; Interim Board of Directors. Declarant will appoint an interim Board of Directors for the Association. Declarant hereby reserves the right to control the Association until a date which is within ninety (90) days of the earlier of a) the date of conveyance to persons other than Declarant of seventy-five percent (75%) of the units which Declarant may submit to this condominium which may be annexed under ORS 100.125, or b) seven (7) years from the date the first unit is conveyed. Accordingly, upon the recording of the Declaration and Bylaws, the interim directors shall serve until the turnover meeting is held as provided in the Bylaws.

12.5 Management Agreements, Contracts, and Leases. The Board of Directors, including the interim Board of Directors, shall have the right to contract with a professional manager or management firm to manage the affairs of the Association. However, if entered into prior to the turnover meeting of the condominium, no management agreement, service contract or employment contract which is directly made by or on behalf of the Association, the Board of Directors, or the unit owners as a group shall be in excess of three years and may be terminated without penalty by the Association or the Board of Directors upon not less than thirty (30) days written notice to the other party given not later than sixty (60) days after the turnover meeting.

13. MORTGAGEES.

13.1 Definitions. As used herein, the following terms shall have the following meanings:

(a) "Mortgage" means a recorded mortgage or trust deed, or Contract of Sale creating a lien against a unit; and

(b) "Eligible mortgage holder" means a holder of a first Mortgage on a unit who has requested notice of certain matters from the Association in accordance with Section 12.3 below.

13.2 Notice to Association. At the request of the Board of Directors, each owner shall promptly supply to the Board the name and address of the mortgagee or mortgagees of his unit.

13.3 Notice to a holder, insurer, or Guarantor of a Mortgage. A holder, insurer, or guarantor of a Mortgage on a unit, who submits a written request to the Association stating the name and address of the holder, insurer, or guarantor and the unit number or address of the mortgaged unit shall be entitled to timely written notice of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the condominium or the unit securing its Mortgage;

(b) Any sixty-day (60-day) delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the Mortgage;

(c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action that requires the consent of a specified percentage of eligible Mortgage holders.

13.4 Consent to Termination of the Condominium. Except with respect to termination of the condominium as a result of destruction, damage, or condemnation, any termination of the condominium shall require the approval of eligible Mortgage holders representing at least sixty-seven percent (67%) of the votes of units that are subject to Mortgages held by eligible Mortgage holders. This approval shall be in addition to such other approvals and procedures as may be required by the Declaration, Bylaws, and Act.

13.5 Consent to Amendment of Documents. Except as otherwise provided in the Act, the approval of eligible Mortgage holders representing at least fifty-one percent (51%) of the votes of units that are subject to Mortgages held by eligible Mortgage holders shall be required for any amendments of a material nature to the Declaration or Bylaws. Any amendment to the Declaration or Bylaws which changes any of the following would be considered as material.

(a) Voting rights;

(b) Assessments, assessment liens, or the priority of assessment lien;

(c) Reserves for maintenance, repair and replacement of the common elements;

(d) Responsibility for maintenance and repairs;

(e) Reallocation of interest in the general or limited common elements, or rights to their use;

(f) Redefinition of any unit boundaries;

(g) Convertibility of units into common elements or of common elements into units;

(h) Expansion or contraction of the condominium or the addition, annexation, or withdrawal of property to or from the condominium, except as provided in Section 8.

- (i) Insurance or fidelity bonds;
- (j) Leasing of units;
- (k) Imposition of any restriction on a unit owner's right to sell or transfer his or her unit;
- (l) Restoration or repair of the condominium (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration, Bylaws, or Act;
- (m) any action to terminate the legal status of the condominium after substantial destruction or condemnation occurs; or
- (n) Any provisions that expressly benefit Mortgage holders, insurers, or guarantors.

This approval shall be in addition to such other approvals and procedures as may be required by the Declaration, Bylaws, and Act.

13.6 Request for Approval of Eligible Mortgage Holders. Any eligible Mortgage holder or other mortgagee who receives a written request to approve additions or amendments to the Declaration, Bylaws, or other action to be taken by the Board of Directors, Association, or unit owners, shall be deemed to have given such approval unless a negative response is delivered or posted to the requesting party within thirty (30) days after such request has been received, provided that the written request was delivered by certified mail with "return receipt requested".

13.7 Discharge of Lien Upon Foreclosure. Where the purchaser of a unit obtains title to a unit as a result of foreclosure of the Mortgage, such purchaser, his successors and assigns, shall not be liable for any of the common expenses chargeable to such unit which became due prior to the acquisition of title to such unit by such purchaser. Such unpaid share of common expenses shall be a common expense of all the unit owners including such purchaser, his successors and assigns. Provisions of this section shall apply only to mortgagees of a first Mortgage of record constituting first liens against the unit or purchasers holding under them.

13.8 Right to receive Written Notice of Meetings. A holder of a first Mortgage shall, upon written request to the Association, be entitled to receive notice of all meetings of the Association and shall be entitled to designate a representative to attend all such meetings.

13.9 Additional Approvals. Unless fifty-one percent (51%) of the holders of first Mortgages of individual units have given their prior written approval, the Association shall not:

(a) Change the prorata interest or obligations of any unit for (1) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards, and (2) determining the prorata share of ownership of each unit in the common elements;

(b) Partition or subdivide any unit;

(c) By act or omission, seek to abandon or terminate the condominium status of the project except as provided by statutes in case of substantial loss to the units and common elements of the condominium project;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause; or

(e) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the condominium project.

13.10 Right to Examine Books and Records. All mortgagees (and insurer and guarantor of mortgages) shall have the right to examine the books and records (including the Declaration, Bylaws, rules, and regulations and financial statements) of the Association upon written request. Such books and records shall be available for duplication at reasonable times; a mortgagee shall be entitled to have an audited financial statement prepared at his own expense if such audited statement is not otherwise available; the Association, its Board of Directors and its officers shall cooperate to facilitate the necessary auditing and review process.

14. AMENDMENT.

14.1 Approval Required. Except as may otherwise be provided in this Declaration or by the Act, the Declaration may be amended if such amendment is approved by seventy-five percent (75%) or more of all votes of the unit owners. No amendment may change the allocation of undivided interest in the common elements, method of determining liability for common expenses, right to common profits, or voting rights of any unit unless such amendment has been approved by the owners of the affected units and the holders

of any Mortgage on such unit. No amendment may reduce or eliminate the rights of first mortgagees set forth herein without the written consent of fifty-one percent (51%) of all such first mortgagees.

14.2 Recordation. The amendment shall be effective upon recordation of the Declaration as amended or of the amendment thereto, certified by the chairman and secretary of the Association as being adopted in accordance with the Declaration and the provisions of ORS 100.100 to 100.910 and 100.990, and approved by the Real Estate Commissioner, in the Deed Records of Tillamook County.

14.3 Change of person to Receive Service of Process. The Board of Directors of the Association may elect to designate a person other than the one named in this Declaration to receive service of process. Upon adoption of a resolution by the Board of Directors in accordance with the Bylaws, the Board of Directors, without the need for further action by the Association or approval under ORS 100.110 and 100.135, shall record an amendment to the Declaration. The amendment shall be certified by the Chairman and the secretary of the Association, and shall state the name of successor with the successor's residence or place of business as required by ORS 100.105(1)(j), that the person named in the amendment has consented to the designation and that the resolution was duly adopted by the Association. The Association shall also comply with ORS 100.250(1)(c) and 100.260(3) regarding requirements for amendments to the Condominium Information Report.

15. DECLARANT'S RIGHTS.

Notwithstanding any provision to the contrary in this Declaration or the Bylaws, Declarant shall have the following special rights;

15.1 Amendment to Declaration and Bylaws. No amendment to the Declaration and Bylaws shall be effective without the written consent of Declarant until such time as seventy-five percent (75%) of the units in the last stage which Declarant may submit in this project have been conveyed to persons other than Declarant or seven (7) years from the date the first unit is conveyed, whichever first occurs. No amendment may limit or diminish any right of Declarant reserved under the Declaration, the Act, or any other special declarant right without the written consent of Declarant until such time as Declarant waives in writing this right of consent.

15.2 Assessments for Additional Capital Improvements. No units owned by Declarant shall be assessed by the Association or the Board of Directors for the construction or acquisition of additional capital improvements without the written consent of Declarant as long as Declarant owns more than two units in the condominium or more than five (5) percent of the units submitted to

the condominium, whichever is greater, or during the time period specified in this Declaration during which Declarant may annex additional stages has not expired.

15.3 Development Easement. Declarant and its agents shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of completing any portion of the condominium, discharging any obligation of Declarant, and/or carrying out sales and rentals of units and advertisements thereof, including posting signs on the property. Declarant shall have the right to use units owned by Declarant as model units and shall have the right to use a unit as a sales office.

15.4 Other. Declarant shall be entitled to any and all other special declarant rights, in addition to those specified herein, that are reserved for the benefit of or created by the Declarant under the Declaration, Bylaws, or the provisions of the Act.

16. SEVERABILITY.

Should any of the provisions herein conflict with the provisions of the Act, the statutory provisions shall apply. Each provision of this Declaration and the Bylaws shall be deemed independent and severable, and the validity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision of this Declaration or the Bylaws.

17. CONFLICTING PROVISIONS.

In the event of a conflict between or among the Declaration, Bylaws, and any administrative rules and regulations, the provisions of the Declaration shall be paramount to the Bylaws and the rules and regulations, and the Bylaws shall be paramount to the rules and regulations. For purposes of this section, the term "Declaration" shall include all amendments and the term "Bylaws" shall include all amendments.

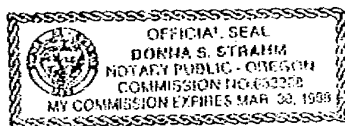
IN WITNESS WHEREOF, Declarant has caused this declaration to be executed this 1 day of July, 1996.

Seaview Associates, an Oregon
Limited Partnership

By: Frank Dunn
Frank Dunn, President of
Dunn Development Corporation,
General Partner

STATE OF OREGON)
) ss.
County of Multnomah)

On this 1 day of July, 1996, personally appeared the above-named Frank Dunn, President of Dunn Development Corporation, General Partner of Seaview Associates Limited Partnership, Declarant, who, being duly sworn, acknowledged the foregoing instrument to be the voluntary act and deed of the Declarant.



Donna S. Strahm
Notary Public for Oregon
My Commission Expires: March 30, 1998

The foregoing Declaration is approved this 22nd day of July, 1996.

Tim Lutz, Assessor Debi K. Rinker, Tax Collector
Assessor and Tax Collector for
Tillamook County

The foregoing Declaration is approved this 3rd day of July, 1996.



SCOTT W. TAYLOR
Real Estate Commissioner
By: Stan F. Mayfield

EXHIBIT "A"

SEAVIEW CONDOMINIUMS

LEGAL DESCRIPTION

Lots 1 - 7, 44, 45 and 46, Block 20, SEAVIEW PARK, in Tillamook County, Oregon, according to the official plat thereof, recorded in Book 1, Page 23, Plat Records.

SEAVIEW CONDOMINIUMS

EXHIBIT "B"

STAGE I

UNIT QUANTITIES & UNIT NUMBERS ELEMENTS

APPROX. SQ. FOOTAGE

ALLOCATION OF % INTEREST IN THE GENERAL COMMON

4	101, 201, 301 & 401	1253	7.55% (x 4)
4	102, 202, 302 & 402	1460	8.73% (x 4)
4	103, 203, 303 & 403	1454	8.72% (x 4)
	Total		100%

Minimum Allocation Of
% Interest (Per Section 8.6)

Unit Nos.

% Interest Per Unit

101,201,301 & 401	3.00%
102,202,302 & 402	3.50%
103,203,303 & 403	3.45%

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96352254

I hereby certify that the within instrument was
received for record and recorded in the
County of Tillamook, State of Oregon.

JULY 23 3 18 PM '96

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JOSEPHINE
Witness
County Clerk



DEPUTY
75.00
1.00
9.00
DEC
ADHIN
PLCP